

ATTACHMENT:

Committee on Commerce and Economic Development

Please review the provisions below that are included in the Governor's Fiscal Year 2023 proposed Budget Adjustment bill. The explanations highlighted in yellow were provided by the Department of Finance and Management. The notes in gray are from the House Appropriations Committee.

Sec. 1 2022 Acts and Resolves No. 185, Sec. B.1100 is amended to read:

a) In fiscal year 2023, funds are appropriated from the General Fund for new and ongoing initiatives as follows:

* * *

(24) \$3,000,000 to the Secretary of Administration to implement the Rural

Infrastructure Assistance Program created in Sec. E.100.4 of this act.

EXPLANATION: The administration proposes \$3M to provide Vermont's rural communities with technical assistance in applying for and utilizing available ARPA funds.

NOTE: The Committee on Government Operations and Military Affairs and the Committee on Agriculture, Food Resiliency, and Forestry are also reviewing this section.

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(28) \$30,000,000 to the Public Service Department to be used as state

match for the National Telecommunications and Information Administration

(NTIA) broadband grant (Middle Mile).

EXPLANATION: \$30M represents the State match toward the \$114,164,581 NTIA grant application submitted on 9/30/22. Anticipated federal receipts are \$67,445,239 with additional cash and in-kind match provided by all VT fiber optic networks benefiting from the Middle Mile infrastructure (FirstLight, ECFiber and NEK Broadband). If received, monies will be used to expand access to reliable, high-speed, and affordable broadband throughout Vermont.

NOTE: The House Committee on Environment and Energy is also reviewing this section.

(29) \$350,000 to the State Refugee Resettlement Office, located within the Agency of Human Services Central Office, to implement Employment Assistance Grants for New Americans created in Section E.300.2 of this Act. Funds remaining at the end of FY2025 shall revert to the General Fund.

EXPLANATION: These funds will provide financial assistance to organizations engaged in developing community-based systems of support for New Americans.

NOTE: The Committees on Human Services and Education are also reviewing this section.

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(32) \$5,000,000 to the Department of Housing and Community Development as additional support for the Vermont Housing Improvement Program (VHIP).

EXPLANATION: Additional funding to support grants up to \$50K per unit for repairs needed to bring vacant rental units up to Vermont Rental Housing Health Code guidelines, add new units to an existing building, or create an accessory dwelling unit on an owner-occupied property.

NOTE: The Committee on General and Housing is also reviewing this section.

Sec. 4 2022 Acts and Resolves No. 185, Sec. D.101 is amended to read:

* * *

(b) Notwithstanding any provision of law to the contrary, in fiscal year 2023:

* * *

(4) Notwithstanding any provision of law to the contrary, in fiscal year 2023, the following amounts shall revert to the General Fund from the accounts indicated:

* * *

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\$ 277,500.00

NOTE: The Committee on Agriculture, Food Resiliency, and Forestry are also reviewing this section.

Sec. 7 2022 Acts and Resolves No. 185, Sec. E.100.4 is added to read:

Sec. E.100.4 RURAL INFRASTRUCTURE ASSISTANCE PROGRAM

(a) Rural Infrastructure Assistance Program. The Agency of Administration shall develop a program to support rural communities in accessing, and managing, competitive grant funds available for clean water initiatives, development of a wide array of housing, broadband development, community recovery, workforce development and business supports and climate change mitigation and resiliency infrastructure projects to be administered by the State.

(b) Eligible communities. This Program will be designed to serve communities which score 75 percent or higher on the Vermont Underserved Communities Index developed by the Agency of Administration. The Agency shall have the option to expand the Program to additional communities after one calendar year from the date of implementation to the extent funds remain available.

(c) The Agency will make the following community support services available upon request from eligible communities:

(1) Community Needs Assessments to evaluate need as directed by a municipality in the following categories:

(A) Water quality infrastructure improvement;

(B) Housing development;

(C) Community recovery, workforce development and business supports;

(D) Climate change mitigation and resilience; and

(E) Other projects related to community economic development as determined by the Agency of Administration.

(1) Opportunity Assessment to identify available state and federal funding programs.

(2) Application and Permitting support to assist municipalities to apply for applicable funding sources and develop necessary permits.

(3) Project management and implementation support to assist successful grant recipients with project management and funding program compliance.

EXPLANATION: Directs the Agency of Administration to develop a program to provide technical assistance to rural communities seeking ARPA-funded opportunities. \$3M is provided for this purpose in Section XX of this Act, amending Sec. B.1100 of 2022 Act 185.

NOTE: The Committee on Government Operations and Military Affairs and Agriculture, Food Resiliency, and Forestry is also reviewing this section.

Sec. 10 2022 Acts and Resolves No. 185, Sec. E.300.2 is added to read:

Sec. E.300.2 Employment Supports for New Americans

(a) Employment Assistance Grants. The State Refugee Office, in consultation with the Vermont Department of Labor, shall administer a grant program to support the development of coordinated community-based systems, with consideration of regional networks and resources, to assist in achieving economic self-sufficiency for New Americans, including refugees, humanitarian parolees,

special immigrant visa holders, asylees, asylum-seekers and others who are pursuing a path to citizenship.

(b) Grant funds may be allocated to:

(1) Assess the current ability of a municipality or region supporting the resettlement of New Americans, with a focus on Brattleboro, Bennington, Chittenden and Rutland, including the availability of English language services, transportation, housing, employment supports and economic and health services.

(2) Provide employment and related support services for refugees, asylum seekers and other New Americans including technical support, employment training before or during employment, English language learning, employment – related case management, job placement, transportation or other related services.

(3) Provide staff support for the coordination of local and state resources to secure partnerships with organizations employing refugees, development of sustainable New American support systems for regions where New Americans are being settled, creation of employer partnerships to serve multiple refugees, identification of cultural barriers for individual or groups of refugees and facilitation with necessary stakeholders to remove barriers and prepare for successful employment.

EXPLANATION: Creates a grant program, to be administered by the State Refugee Office, to assist organizations engaged in developing community-based systems of support for New Americans. \$350K has been provided to support this effort in Section XX of this Act amending 2022 Act 185 to add subsection (a)(29).

NOTE: The Committees on Human Services and on Education are also reviewing this section.

Sec. 16 2022 Acts and Resolves No. 185, Sec. G.300(c)(2) is amended to read:

(2) \$6,000,000 to the Department of Economic Development for the remediation and redevelopment of brownfield sites to be used in the same manner as the Brownfields Revitalization Fund established by 10 V.S.A. § 6654, except notwithstanding the grant limitations in 10 V.S.A. § 6654, projects supported by this appropriation shall not be limited to \$200,000 grants per parcel. The Agency of Commerce and Community Development shall award the amount of \$1,000,000.00 in fiscal year 2023 to regional planning commissions for the purposes of brownfields assessment. In awarding funds under this section, the Secretary, in consultation with VAPDA, shall select one regional planning commission to administer these funds. To ensure statewide availability, the selected regional planning commission shall subgrant to regional planning commissions with brownfield programs, with not more than 5 percent of the funds being used for administrative purposes.

EXPLANATION: The language allows for a Regional Planning Commission to administer the \$1M brownfields grant program on ACCD's behalf and limits administrative costs to 5% of expenditures.

NOTE: The Committee on Environment and Energy is also reviewing this section.

Sec. 22 2022 Acts and Resolves No. 83, Sec. 68 is amended to read:

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(28) ~~\$12,803,996~~\$12,803,993 to the Department of Labor to cover pandemic related operating costs in the Unemployment system and other programs.

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EXPLANATION: Technical adjustment to correct the Department of Labor's allocated amount of ARPA funds and reconcile the subsection totals to the total ARPA funds provided per Act 74 Section G.300 [2021] as amended by Act 83 Section 68 [2022].

NOTE: This section is also being reviewed by the Committee on Government Operations and Military Affairs.

Sec. 23 2022 Acts and Resolves No. 83, Sec. 72 is amended to read:

Sec. 72. WORKFORCE RECRUITMENT AND RETENTION INCENTIVE

GRANT FUNDING FOR EMPLOYEES OF ELIGIBLE HEALTH CARE AND SOCIAL SERVICE EMPLOYERS

(a)(1) Program established. The Secretary of Human Services shall establish a workforce recruitment and retention incentive grant program for employees of eligible employers, as defined in this section. Eligible employers may apply for a grant within the grant application period determined by the Secretary.

(2) For all eligible employers except for home health agencies, tThe total grant award amount for each eligible employer shall be calculated at a rate of \$2,000 per full-time equivalent employee (FTE) based on the number of FTEs identified by the eligible employer in its grant application. For home health agencies, the total grant award amount for each eligible employer shall be calculated at a rate of \$3,000 per full-time equivalent employee (FTE) based on the number of FTEs identified by the eligible employer in its grant application.

* * *

~~(4) Eligible employers shall distribute the full amount of their awards within 12 months following receipt of the grant funds.~~

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(f) Allocations. Of the funds made available in subsection (e) of this section, \$45,000,000 shall be allocated for a first round of funding, to be made available to the eligible employers identified in subsection (b) of this section. The remaining \$15,000,000 shall be reserved for a second round of funding pending identification of a set of additional health care and social service provider employers with a demonstrated need for the recruitment and retention incentive grant funding, as recommended by the Agency of Human Services and accepted by the General Assembly, or by the Joint Fiscal Committee if the General Assembly is not in session, except that the Agency is authorized to access all or a portion of the reserved funding to the extent that a funding deficiency is identified when meeting the needs of the first round of eligible employers. Any remaining funds following a second round of funding may be used for one or more of the following workforce recruitment and retention purposes:

(1) Incentive grants to nurses employed by health care employers in Vermont for serving as preceptors for nursing students enrolled in Vermont nursing schools. The Agency shall distribute all or a portion of the remaining funds to health care employers employing nurses who provide student preceptor supervision based on the number of preceptor hours to be provided, at a rate of \$5.00 per preceptor hour, or a lesser hourly rate if the need exceeds the available funds. The Agency shall prioritize funding for health care employers that provide matching funds for additional preceptor compensation or that commit to providing future compensation and support to expanding the number of preceptors.

(2) If nurse preceptors receiving compensation pursuant to a grant awarded to a health care employer under this section are subject to a collective bargaining agreement, the use of the grant funds provided to the health care employer for the nurse preceptors shall be subject to bargaining between the health care employer and the collective bargaining representative of the nurses to the extent required by the collective bargaining agreement.

(3) Grants to health care employers, including hospitals, long-term care facilities, designated and specialized service agencies, federally qualified health centers, and other health care providers, to establish or expand partnerships with Vermont nursing schools to create nursing pipeline or apprenticeship programs, or both, that will train members of the health care employers' existing staff, including personal care attendants, licensed nursing assistants, and licensed practical nurses, to become higher-level nursing professionals. Through a combination of scholarship awards, grants awarded to health care employers pursuant to this section, grants awarded to health care employers pursuant to Act 183 of 2022 Sec. 22, and the health care employer's contributions, the trainees' tuition and fees shall be covered in full, and trainees shall be provided with assistance in meeting their living costs, such as housing and child care, while attending the program.

* * *

EXPLANATION:

- Amendment to Sec.72(a)(2) necessary to expend a portion of the remaining premium pay funds on a 50% increase in grants to home health agencies.
- Amendment to Sec.72(a)(4) necessary to avoid complexities with potential end of public health emergency and the IT platform that supports the grant program.

Amendment to Sec.72(f) necessary to maximize effectiveness of nursing programs and ensure impact beyond public health emergency. Additional programs will expand programs authorized in Act 183, Secs. 21 and 22 by adding funding and additional health care employer types to the nurse preceptor program and adding a more flexible funding source that can cover living costs for the nursing pipeline or apprenticeship program

NOTE: The Committees on Human Services, Health Care and Education are also reviewing this section.

Sec. 27 2022 Acts and Resolves No. 183, Sec. 25 is amended to read:

* * *

(a) In fiscal year 2023, the amount of \$227,169.00 in Global Commitment funds is appropriated to the Department of Health for forgivable loans for nursing students under the Vermont Nursing Forgivable Loan Incentive Program established in 18 V.S.A. § 34 by Sec. 23 of this act.

(b) In fiscal year 2023, the amount of \$100,000.00 is appropriated from the General Fund to the Agency of Human Services, Global Commitment ~~appropriation~~Program for the State match for the Vermont Nursing Forgivable Loan Incentive Program established in 18 V.S.A. § 34 by Sec. 23 of this act.

(c) In fiscal year 2023, \$127,169.00 in federal funds is appropriated to the Agency of Human Services, Global Commitment ~~appropriation~~Program for the Vermont Nursing Forgivable Loan Incentive Program established in 18 V.S.A. § 34 by Sec. 23 of this act.

EXPLANATION: Technical correction to ensure these appropriations are correctly categorized as one-time in nature, and not additive to the Global Commitment base appropriation.

Sec. 28 2022 Acts and Resolves No. 183, Sec. 47(d)(3) is amended to read:

(3) the amount of the cumulative decline in adjusted net operating income during the COVID-19 public health emergency in 2020 and 2021, or other appropriate basis of comparison used to determine eligibility under subdivision (c)(4) of this section.

EXPLANATION: Language ensures maximum loan amount options are consistent with the eligibility criteria in subsection (c)(4).

Sec. 29 2022 Acts and Resolves No. 183, Sec. 53(a) is amended to read:

(a) Reversion. In fiscal year ~~2022-2023~~, of the amounts appropriated in 2021 Acts and Resolves No. 74, Sec. G. 300(a)(13), from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Agency of Commerce and Community Development for the Economic Recovery Grant Program, ~~\$25,500,000.00~~\$25,042,000.00 shall revert to the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds.

EXPLANATION: Technical amendment to adjust reversion to actual amount available for reversion in the appropriate fiscal year.

Sec. 30 2022 Acts and Resolves No. 183, Sec. 54 is amended to read:

Sec. 54. ~~APPROPRIATION;~~ DOWNTOWN AND VILLAGE CENTER TAX

CREDIT PROGRAM ~~There is appropriated the sum of \$2,450,000.00 from the General Fund to the Vermont Downtown and Village Center Tax Credit Program to be used in fiscal years 2023 and 2024. Notwithstanding 32 V.S.A. § 5930ee, up to \$5,450,000 the funds shall be used to increase the amount of for tax credits, in fiscal year 2023, that may be awarded to on qualified projects. Notwithstanding~~

32 V.S.A. § 5930ee, any tax credit capacity for this program not used in FY23 shall carry forward. Of those tax credits awarded in fiscal years 2023 and 2024, up to \$2,000,000.00 may be awarded to qualified projects located in designated neighborhood development areas.

EXPLANATION: Tax credits are recorded as a revenue offset and, as such, no appropriation is necessary since no cash outlay from the Treasury is required. The intent of Act 183 Sec. 54 appears to be to add a total of \$2,450,000 to the Downtown and Village Center Tax Credit Program over FY23 and FY24, which are capped at \$3m per year by 32 V.S.A. § 5930ee. A carryforward provision is included to accommodate possible operational limits in awarding the additional funds within the intended timeframe.

NOTE: The Committee on Ways and Means is also reviewing this section.